

and there is no statutory authority for the director to have a plan. Consequently, that's mainly the basis of the bill is to legalize this type of...to clear it up in the statutes as to whether or not it is legal, whether or not the director is an employee. My next question is then if a power district, through offering health insurance benefits to their board of director engages in an illegal activity what is the penalty?

SENATOR GOODRICH: I really don't know what the penalty would be. I would say that they would probably have to make a certain amount of restitution as to the equivalent cost of the plan.

SENATOR DWORAK: So, you think that the directors would have to reimburse the power district for the amount of money that....or the amount of premium spent in their behalf for ever?

SENATOR GOODRICH: Well, for a reasonable time at least, whatever the court would determine to be a reasonable time.

SENATOR DWORAK: Thank you Senator Goodrich.

PRESIDENT: We just missed introducing 25 school children from Alliance Senator Cullan who are here for the Girls State Basketball Team and their fans. They got out of the chamber before I had a chance to introduce them. Senator Newell.

SENATOR NEWELL: Mr. President, members of the body. I would like to point out a couple things relative to this argument. It seems to me that those people who are opposed to this bill are opposed to it because they are frustrated with the cost of power, public power. I would like to point out that just because we are frustrated because of high cost of power or frustrated because of the high cost of government or frustrated because these people don't respond the way we would like them to respond is not justification to penalize them to not compensate them for work that they do. Senator Chambers has brought up that these people on the Public Power District Board ought to serve because they ran for office and they ought not get any other compensation then what is already provided and has even insinuated that that may be too much. I think that the real issue here is whether we are going to compensate people fairly so that they will be willing and desirous of serving on these public bodies. The same rationale can be made for the legislature. I know that many people who have opposed state senators salaries, who have opposed Constitutional amendments to allow us to have any other benefits or anything like that and they have opposed them not because they feel we are compensated too much, they realize as we do that they are not compensated too much. Their opposition is that they don't like what we are doing. Now that is not a very rationale reason for voting down a pay increase. We ought to compensate people for what they are doing. If you don't like what they are doing then you are supposed to, through the election procedure, vote against that person. These arguments that we are hearing today are erroneous. They are wrong, they are bad. They are faulty. We ought to pass this bill because these people deserve compensation. I would like to look at a point that Senator Kelly made. Without exception public power people are in another business. They are executives and they consequently get these benefits someplace else. That is exactly